

The California Department of Water Resources
Request for Bids for Energy Purchase (CDWR RFB E2001-01)
January 23, 2001

Introduction: This Request for Bids (RFB) solicits proposals for several types of energy purchase options. The California Department of Water Resources (CDWR) encourages responses to all of the options. Bidders may provide as many bids as desired.

Product: CDWR is soliciting bids for firm energy to be delivered to SP15 and/or NP15 in aggregate for approximately 69,000 gigawatt-hours (GWH) to 100,000 GWH annually On-Peak, including Super Peak, and for approximately 26,000 GWH to 40,000 GWH annually Off-Peak to meet the needs of the State of California. This request is for delivery of firm energy for a period up to 10 years, as specified below, and may be submitted from any entity in the Western Systems Coordinating Council. Each Bidder shall offer to provide firm (100 percent capacity factor) energy at a fixed price for one or more of the delivery periods listed in the bid templates in Attachment A. These delivery periods vary in length from six months to ten years. Each Bidder may offer to provide firm energy for one or more of the delivery periods, but must specify whether the firm energy to be provided is from the same capacity used to provide the firm energy in another bid. In addition, each Bidder may offer to provide firm energy for one or more of the products, but must specify whether the firm energy to be provided is from the same capacity used to provide the firm energy in another bid. CDWR requests that each Bidder offer to deliver one or more of the following products:

Products

- 1) Base Load - All Day, Every Day - Hours Ending 0-24 (7 x 24)
- 2) Peak - Hours Ending 7-22, Monday through Saturday (6 x 16)
- 3) Off-Peak - Hours Ending 0-6, 23, and 24, all day Sunday and holidays
- 4) Summer Super Peak - Hours Ending 12-20, Monday through Friday from June 1 through October 31
- 5) Winter Super Peak – Hours Ending 17 – 21, Monday through Friday from November 1 through May 31.

If the energy is from within California, please state the applicable generating unit that will be supplying the generation. If the energy is from a portfolio of resources, please provide the amount of generation in each of the California Independent System Operator's (CAISO) congestion zones that will be supplying the generation. If the energy is from outside California, please state the transmission path that will be used and whether the Bidder has FTRs, or other transmission mechanisms in place to ensure that the energy can be delivered to SP 15 and/or NP 15.

Delivery Point: Bidder has the responsibility to deliver the firm energy to the CAISO congestion zones SP15 and/or NP15.

Bidding Quantities and Location: Bidding quantities should be in minimum 10 MW blocks and specify the congestion zone delivery point. Each product bid should be bid separately. Bidder should specify specific blocks and delivery periods in its proposal.

Price: Price for each product shall be fixed for the delivery period. CDWR will not accept prices that are tied to indices and consequently subject to change through the term.

Initial Delivery Date: The period for bids is established to reflect CDWR's initial energy delivery date of February 1, 2001. Bidders may bid for delivery beginning after the initial day of a delivery period in the event the Bidder can demonstrate one of the following:

- An initial commercial operating date after the initial day of the delivery period, but no later than December 31, 2001.
- Expiration of an existing agreement for sale (in effect as of January 24, 2001) for the generation resource required to meet the bid after the initial day of the delivery period, but no later than December 31, 2001.

Scheduling and Dispatching: All firm energy deliveries will be received by CDWR as a Scheduling Coordinator to Scheduling Coordinator trade in accordance with the CAISO tariff. The Bidder shall meet all CAISO tariff requirements including scheduling and dispatch requirements.

Enabling Agreement: CDWR contemplates that the energy purchase agreements shall be in accordance with and subject to the terms and conditions of the Western System Power Pool Agreement or such other generally accepted standard industry agreements as may be selected and modified by CDWR for purposes of this solicitation.

Bid Contents: Bidder shall respond to this RFB by completing the Bid Template in Attachment A and faxing it to any of the following three fax numbers: (916) 574-2569, (916) 574-2791 or (916) 574-2785.

Response Date: Responses must be received by 12:00 p.m. PST (noon) on January 24, 2001.

Direct responses to the attention of Raymond D. Hart and make reference to California Department of Water Resources Request for Bids for Energy Purchases (CDWR RFB E2001-01).

Validity of Price and Quantity: The Bidder's price and quantity shall be held until 12:00 p.m. PST (noon), January 31, 2001.

Disclaimer and CDWR Rights: This RFB shall not be construed as an offer, and CDWR is not bound, to purchase energy from any Bidder pursuant to this RFB. No rights shall be vested in any Bidder, individual or entity by virtue of its preparation to participate in, or its

participation in, such process. No binding commitment shall arise on the part of CDWR to any Bidder under this Request for Bids until and unless the parties sign documents of agreement that become effective in accordance with their terms. This RFB does not commit CDWR to pay any costs incurred by Bidders in the preparation of their proposal. The bids received will be evaluated and selected based on the supplied information, including any supplemental information, submitted pursuant to this RFB. CDWR expressly reserves the right to modify, or withdraw from, the process initiated and described herein, or modify the schedule and any provision contained herein, for any reason. CDWR reserves to itself the selection of winning Bidders, if any, in the exercise of its sole discretion; the right to reject any and all bids, and any portion of a specific bid for any reason, as well as the right to waive any informality or irregularity in any bid received by it. CDWR also reserves the right to award an agreement to a Bidder based on factors other than price. CDWR assumes no obligation to provide a reason for rejection of a Bidder's bid.

Credit: Bidders should assume a transaction credit rating for CDWR of "A" from Standard & Poor's Rating Group (a division of McGraw-Hill, Inc.) (S&P) or Moody's Investor Services, Inc. (Moody's).

Neither the full faith and credit nor the taxing power of the State of California are or may be pledged for any payment under any agreement resulting from this solicitation. Revenue and assets of the State Water Resources Development System shall not be available to make payments under any agreement resulting from this solicitation.

Bidder's unsecured long-term debt must have an investment grade rating from either S&P or Moody's. If the Bidder does not meet this ratings requirement, the Bidder must provide some form of additional security acceptable to CDWR.

Additional Information: CDWR reserves the right to obtain additional information from Bidders including, but not limited to, affiliated entities and joint ventures, Bidder's financial strength, litigation and penalties.

The California Department of Water Resources

Request for Bids for Energy Purchase (CDWR RFB E2001-01)

January 23, 2001

Introduction: This Request for Bids (RFB) solicits proposals for several types of energy purchase options. The California Department of Water Resources (CDWR) encourages responses to all of the options. Bidders may provide as many bids as desired.

Product: CDWR is soliciting bids for firm energy to be delivered to SP15 and/or NP15 in aggregate for approximately 69,000 gigawatt-hours (GWH) to 100,000 GWH annually

On-Peak, including Super Peak, and for approximately 26,000 GWH to 40,000 GWH annually Off-Peak to meet the needs of the State of California. This request is for delivery of firm energy for a period up to 10 years, as specified below, and may be submitted from any entity in the Western Systems Coordinating Council. Each Bidder shall offer to provide firm (100 percent capacity factor) energy at a fixed price for one or more of the delivery periods listed in the bid templates in Attachment A. These delivery periods vary in length from six months to ten years. Each Bidder may offer to provide firm energy for one or more of the delivery periods, but must specify whether the firm energy to be provided is from the same capacity used to provide the firm energy in another bid. In addition, each Bidder may offer to provide firm energy for one or more of the products, but must specify whether the firm energy to be provided is from the same capacity used to provide the firm energy in another bid. CDWR requests that each Bidder offer to deliver one or more of the following products:

Products

- 1) Base Load - All Day, Every Day - Hours Ending 0-24 (7 x 24)
- 2) Peak - Hours Ending 7-22, Monday through Saturday (6 x 16)
- 3) Off-Peak - Hours Ending 0-6, 23, and 24, all day Sunday and holidays
 1. Summer Super Peak - Hours Ending 12-20, Monday through Friday from June 1 through October 31
 2. Winter Super Peak — Hours Ending 17 — 21, Monday through Friday from November 1 through May 31.

If the energy is from within California, please state the applicable generating unit that will be supplying the generation. If the energy is from a portfolio of resources, please provide the amount of generation in each of the California Independent System Operator's (CAISO) congestion zones that will be supplying the generation. If the energy is from outside California, please state the transmission path that will be used and whether the Bidder has FTRs, or other transmission mechanisms in place to ensure that the energy can be delivered to SP 15 and/or NP 15.

Delivery Point: Bidder has the responsibility to deliver the firm energy to the CAISO congestion zones SP15 and/or NP15.

Bidding Quantities and Location: Bidding quantities should be in minimum 10 MW blocks and specify the congestion zone delivery point. Each product bid should be bid separately. Bidder should specify specific blocks and delivery periods in its proposal.

Price: Price for each product shall be fixed for the delivery period. CDWR will not accept prices that are tied to indices and consequently subject to change through the term.

Initial Delivery Date: The period for bids is established to reflect CDWR's initial energy delivery date of February 1, 2001. Bidders may bid for delivery beginning after the initial day of a delivery period in the event the Bidder can demonstrate one of the following:

- An initial commercial operating date after the initial day of the delivery period, but no later than December 31, 2001.
- Expiration of an existing agreement for sale (in effect as of January 24, 2001) for the generation resource required to meet the bid after the initial day of the delivery period, but no later than December 31, 2001.

Scheduling and Dispatching: All firm energy deliveries will be received by CDWR as a Scheduling Coordinator to Scheduling Coordinator trade in accordance with the CAISO tariff. The Bidder shall meet all CAISO tariff requirements including scheduling and dispatch requirements.

Enabling Agreement: CDWR contemplates that the energy purchase agreements shall be in accordance with and subject to the terms and conditions of the Western System Power Pool Agreement or such other generally accepted standard industry agreements as may be selected and modified by CDWR for purposes of this solicitation.

Bid Contents: Bidder shall respond to this RFB by completing the Bid Template in Attachment A and faxing it to any of the following three fax numbers: (916) 574-2569,

(916) 574-2791 or (916) 574-2785.

Response Date: Responses must be received by 12:00 p.m. PST (noon) on

January 24, 2001.

Direct responses to the attention of Raymond D. Hart and make reference to California Department of Water Resources Request for Bids for Energy Purchases

(CDWR RFB E2001-01).

Validity of Price and Quantity: The Bidder's price and quantity shall be held until

12:00 p.m. PST (noon), January 31, 2001.

Disclaimer and CDWR Rights: This RFB shall not be construed as an offer, and CDWR is not bound, to purchase energy from any Bidder pursuant to this RFB. No rights shall be vested in any Bidder, individual or entity by virtue of its preparation to participate in, or its participation in, such process. No binding commitment shall arise on the part of CDWR to any Bidder under this Request for Bids until and unless the parties sign documents of agreement that become effective in accordance with their terms. This RFB does not commit CDWR to pay any costs incurred by Bidders in the preparation of their proposal. The bids received will be evaluated and selected based on the supplied information, including any supplemental information, submitted pursuant to this RFB. CDWR expressly reserves the right to modify, or withdraw from, the process initiated and described herein, or modify the schedule and any provision contained herein, for any reason. CDWR reserves to itself the selection of winning Bidders, if any, in the exercise of its sole discretion; the right to reject any and all bids, and any portion of a specific bid for any reason, as well as the right to waive any informality or irregularity in any bid received by it. CDWR also reserves the right to award an agreement to a Bidder based on factors other than price. CDWR assumes no obligation to provide a reason for rejection of a Bidder's bid.

Credit: Bidders should assume a transaction credit rating for CDWR of "A" from Standard & Poor's Rating

... (S&P) or Moody's Investor Services, Inc. (Moody's).

Neither the full faith and credit nor the taxing power of the State of California are or may be pledged for any payment under any agreement resulting from this solicitation. Revenue and assets of the State Water Resources Development System shall not be available to make payments under any agreement resulting from this solicitation.

Bidder's unsecured long-term debt must have an investment grade rating from either S&P or Moody's. If the Bidder does not meet this ratings requirement, the Bidder must provide some form of additional security acceptable to CDWR.

Additional Information: CDWR reserves the right to obtain additional information from Bidders including, but not limited to, affiliated entities and joint ventures, Bidder's financial strength, litigation and penalties.

CDWR RFB P2001-01

Date: _____

Company Name: _____

Contact Name: _____

E-Mail Address: _____

Address: _____

City: _____

State: _____

Zip Code: _____

Telephone: _____

Fax Number: _____

SP 15 Zone	Super Peak Period Summer 2001		Super Peak Period Summer 2001-2003		Super Peak Period Summer 2001-2005		Super Peak Period Summer 2001-2010	
	MW	Price	MW	Price	MW	Price	MW	Price
Summer Super Peak								

NP 15 Zone	Super Peak Period Summer 2001		Super Peak Period Summer 2001-2003		Super Peak Period Summer 2001-2005		Super Peak Period Summer 2001-2010	
	MW	Price	MW	Price	MW	Price	MW	Price
Summer Super Peak								